



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 2  
290 BROADWAY  
NEW YORK, NY 10007-1866

AUG 18 2010

Thomas A. Grace  
Director-Environmental, Health & Safety  
Caithness Long Island, LLC  
565 Fifth Avenue, 29<sup>th</sup> Floor  
New York, NY 10017-2478

Subject: Caithness Long Island Energy Center (CLIEC):  
Prevention of Significant Deterioration (PSD) Permit  
Request for Clarification on the PSD Permit's Language

Dear Mr. Grace:

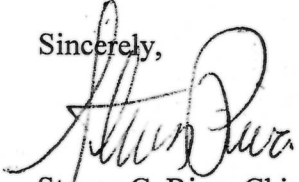
This is in response to the CLIEC's June 16, 2010 submittal requesting the U.S. Environmental Protection Agency's Region 2 Office (EPA)'s clarification on language in the PSD air permit. This request was augmented by a subsequent submittal dated August 2, 2010. We understand that CLIEC seeks clarification as to whether the combustion turbine's short duration operating load drop below the 75% load, while the operating load -point is set up at 75%, it would constitute a permit violation.

According to the CLIEC's PSD air permit, except for startup and shutdown, the combustion turbine shall only be allowed to operate at or above 75% load. However, your submissions state that in order for your electric facility to meet its dispatch availability, CLIEC is required to operate at a variety of operating loads including the 75% load. Furthermore, your submissions assert that while the combustion turbine is set up to operate at 75%, it may be subject to periodic (transient) fluctuations on the transmission system disturbances such as voltage and frequency changes. These transient events are of short duration (i.e., one second), and could cause the turbine's load to drop slightly below the 75% load, while meeting all operating load (i.e., at or above 75% load) permitted emissions limitations. Thus, in order for CLIEC to stay within its operating load, the lower operating load set point has to be at 77% instead of 75%. Consequently, CLIEC is not available for dispatch at 75% load.

Upon careful review of the information provided in your submittals, EPA has determined that the CLIEC's combustion turbine transient load drops below the 75% load set point would not constitute a permit violation. This determination is contingent upon CLIEC's maintaining the NO<sub>x</sub> and CO emissions during these load drops events at the operating load permitted emission limitations' level, and demonstrating compliance by CEMS.

If you wish to discuss any of the above issues or have any questions, please call me at (212) 637-4074 or Ms. Viorica Petriman of my staff at (212) 637-4021.

Sincerely,

A handwritten signature in dark ink, appearing to read "Steven C. Riva". The signature is fluid and cursive, with the first name "Steven" and last name "Riva" clearly distinguishable.

Steven C. Riva, Chief  
Permitting Section  
Air Programs Branch

cc: Ms. Merlange Genece, NYSDEC Region 1

bcc: V. Petriman, 2DEPP-APB  
S. Riva, 2DEPP-APB  
Ken Eng, R2-ACB  
APB File